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NEA OFFICE OF IRAQ ASSISTANCE FOR LAIRD TREIBER

E.O. 12958: N/A

TAGS: [IZ](#) [AORC](#) [KCOM](#) [SP](#)

SUBJECT: SPAIN ON SUPPORT FOR BASRAH CHILDREN'S HOSPITAL

REF: A. STATE 120959

[B](#). MADRID 1923

[C](#). MADRID 1832

[1](#). This is an action request. Please see para 6.

[2](#). Summary. FM Moratinos reaffirmed to the Ambassador on July 27 that Spain will provide the requested funds to support construction of the Basrah Children's Hospital. Moratinos said Spain would provide the funds as quickly as possible, but could not do so before September. End Summary.

[3](#). Upon receipt of REF A, post immediately contacted Spanish officials to relay the USG's desire to effect the transfer of the \$22 million Spanish contribution to the Basrah Children's Hospital as quickly as possible in order to proceed with the project. On July 25, the Embassy sent REF A details of our suggestion that funds be transferred to the Iraq Relief and Reconstruction Fund (IRRF), as well as an explanation as to the urgency of our request to Javier Sancho, Chief of Staff to FM Miguel Angel Moratinos, to the office of Deputy FM Bernardino Leon, and to Ricardo Martinez, Director General for Asia, Africa, and Eastern Europe at the Spanish Agency for International Cooperation (AECI). Deputy FM Leon's staff informed the Embassy that AECI would handle the details of the Spanish contribution to the hospital project.

[4](#). The Embassy followed up with AECI on July 26, at which time it emerged that Spanish funds were not available for disbursement by September 1 to support the Basrah Children's Hospital. AECI officials underscored Spain's commitment to provide \$22 million, as indicated by FM Moratinos, but said it would take time to re-program funds that had already been allocated to other projects. They also said that it AECI needed more time to determine whether transmitting funds to the IRRF was the correct vehicle for making the money available for the hospital project. Post contacted FM Moratinos' office and Deputy FM Leon's staff to relay this information and to indicate that the Ambassador planned to raise the issue with FM Moratinos in a previously-scheduled meeting on July 27.

[5](#). In discussing the issue with Moratinos, the Ambassador stressed that the USG was grateful for Spain's generous contribution to the Basrah Children's Hospital and gave Moratinos a copy of the letter from First Lady Laura Bush thanking him for his support of the project (REF B). Moratinos noted that he had spoken with President Zapatero regarding Spain's contribution and that Zapatero had given his backing to the initiative. However, Moratinos added that it would be difficult, if not impossible, for Spain to provide the funds by September and that it would be later in the year before the \$22 million could be transferred. He reaffirmed Spain's commitment to provide the funds as promised. (NOTE: Javier Sancho, Moratinos' Chief of Staff, told us after the meeting that Moratinos was pushing the

appropriate Spanish agencies to move quickly, but that the \$22 million was simply not available at the moment).

//COMMENT AND ACTION REQUEST//

¶6. The day after the Ambassador's meeting with Moratinos, negative media stories regarding the Basrah hospital project circulated in the international press, including one story in the New York Times indicating that Spain could become involved in supporting the project. In order to help the Spanish Government deal with possible domestic political/media criticism as it moves forward, we request that all relevant programatic information regarding the Basrah Children's Hospital be sent to Embassy Madrid so that we can transmit it to the MFA. We could send this information to the MFA under the cover of a note verbale, to include a formal request that Spain fill the \$22 million needed for completion of the project. This would both help move the project through AECI and help the Spanish Government answer any questions that may be raised regarding the Basrah Children's Hospital.

AGUIRRE